

TITLE 14. NATURAL RESOURCES
DIVISION 2. DEPARTMENT OF CONSERVATION
CHAPTER 5. DIVISION OF RECYCLING

SUBCHAPTER 2. GENERAL REQUIREMENTS

Article 5. Administrative Actions

Underline: proposed permanent additions

~~Strikeout:~~ proposed permanent deletions

§2125. INSPECTION AUTHORITY.

(a) An applicant, certified operator, or curbside program shall provide access to the operator's facility or program to staff authorized by the Division for any one or all of the following purposes:

(1) To determine compliance with the Division's regulations and with the provisions of the Act, or

(2) To determine the accuracy of the information provided in the application for certification, or

(3) To determine the accuracy of the information provided in the application for curbside registration, or

(4) For the investigation of complaints related to compliance with the Division's regulations and with the provisions of the Act, or

(5) To obtain allowable cost survey data required for the Division to carry out its responsibilities pursuant to Sections 14575 and 14585 of the Act, or

(6) To inspect all records, required by section 2420(h), upon which the scrap value surveys are based.

(b) Failure to submit to inspections described in subsection (a) above shall result in either:

(1) Denial of an application if the application is pending, or

(2) Revocation of a certification, or registration, or

(3) Suspension of a certification, or registration.

(4) Imposition of civil penalties pursuant to Section 14591.1 of the Act.

Authority: Section 14530.5(b) and 14536(b), Public Resources Code. Reference: Sections 14537, 14538, 14539, 14540, 14549.1, ~~and~~ 14575, and 14585 Public Resources Code.

SUBCHAPTER 6. RECYCLING CENTERS

Article 2. Handling Fees

§2518. CALCULATIONS AND PAYMENTS.

(a) The Division shall determine handling fee payments for a recycling center meeting the requirements of Section 14585 of the Act and Section 2516, above, based on data contained in the Handling Fee Application Form (Form DR-14 (1/00)) by performing the following calculations:

(1) The reported redemption weights shall be converted to number of empty beverage containers using the Division's statewide average containers-per-pound rate for each material type, and pursuant to Subsection 14585~~(a)(3)~~ (e) of the Act.

(2) The total number of empty beverage containers for the calendar month shall be calculated by summing the number of empty aluminum, glass, plastic and bimetal beverage containers. If the total number of empty beverage containers is less than the minimum number required by Section 14585(a)(2)(A) of the Act, the recycling center is not eligible for handling fees for that calendar month.

(3) The Division shall determine the number of empty beverage containers eligible for handling fees pursuant to Subsection 14585(a)(4) of the Act.

~~(4) The monthly handling fee for each recycling center shall be the lesser of the following:~~

~~(A) Two thousand three hundred dollars (\$2,300); or~~

~~(B) The total number of containers eligible for handling fees as derived in paragraph (3) above, multiplied by one and eight tenths of one cent (\$0.018).~~

(4) On and after July 1, 2008, the Department shall pay a handling fee per eligible beverage container as determined by the handling fee cost survey required by Section 14585 (f) of the Act.

(b) Prior to release of handling fees for each month during which a recycling center is eligible, the Division may determine that such fees should be withheld for any of the following reasons:

(1) The Division has prevailed against the recycler in a civil or administrative action and money is owed to the Division as a result of the action.

(2) The Division determines, based on information contained in the shipping reports filed pursuant to Section 2530 of Article 3 of Subchapter 6, that the recycler has received handling fees for materials which were not redeemed for refund value and such discrepancies between reported redemption weights and shipping weights are more than two and one-half percent.

Authority: Section 14530.5, 14536 and 14552(e). Public Resources Code. Reference: Section 14504, 14526.6 and 14585, Public Resources Code.

SUBCHAPTER 12. DOR REQUIREMENTS

Article 3. Handling Fee Payments

§2990. ALLOWABLE COSTS FOR HANDLING FEE RECYCLING CENTERS.

(a) On or before January 1, 2008, and every second year thereafter, the Division shall survey a statistical sample of recycling centers receiving handling fees to determine the average allowable costs per empty beverage container redeemed.

(b) Allowable costs for calculation of the handling fee shall include the actual costs of receiving, handling, processing, and storing and transporting postfilled beverage containers. Allowable costs also include maintaining equipment necessary for the above activities. More specifically these costs shall include, but not be limited to:

- (1) labor,
- (2) property taxes,
- (3) depreciation,
- (4) utilities,
- (5) supplies,
- (6) fuel,
- (7) insurance,
- (8) interest,
- (9) general business overhead exclusive of administrative costs,
- (10) facilities and equipment rent or lease,
- (11) maintenance,
- (12) transportation,
- (13) disposal costs.

(c) The scrap price paid to the consumer by the recycling center shall not be included in allowable costs.

Authority: Section 14530.5(b) and 14536(b), Public Resources Code. Reference: Sections 14513.4, 14526.6, 14581, and 14585, Public Resources Code.

§2995. ALLOCATION OF ALLOWABLE COSTS FOR HANDLING FEE SITES.

(a) The Division shall determine allowable costs per container pursuant to section 2990 of this subchapter that can be directly allocated to each beverage container type. (For example: depreciation and labor expenses for operating an aluminum can crusher shall be directly allocated to the allowable costs of aluminum beverage containers.)

(b) Allowable costs pursuant to section 2990 of this subchapter that cannot be directly allocated shall be allocated using the direct labor cost percentages for each container type as determined in the allowable handling fee cost surveys pursuant to section 2990 of this subchapter.

Authority: Section 14530.5(b) and 14536(b), Public Resources Code. Reference: Sections 14513.4, 14526.6, 14581, and 14585, Public Resources Code.

§2997. NOTIFICATION OF HANDLING FEE CHANGES.

When the Division adopts a revised, terminated or newly established handling fee pursuant to Public Resources Code Section 14585, the Division shall provide written notification within fifteen (15) days of adoption, and at least fifteen (15) days prior to the effective date of the proposed action(s), to all interested persons.

Authority: Section 14530.5(b) and (c) and 14536(b), Public Resources Code. Reference: Sections 14513.4, 14581 and 14585, Public Resources Code.

